

## HOUSE BILL NO. 62

INTRODUCED BY C. HARRIS

A BILL FOR AN ACT ENTITLED: "AN ACT REQUIRING THAT PROOF OF INSURANCE OR OTHER ABILITY TO PAY BE PROVIDED WHEN A MOTOR VEHICLE IS REGISTERED AND BE SHOWN UPON THE FACE OF THE CERTIFICATE OF OWNERSHIP; PROVIDING FOR REVOCATION OF REGISTRATION WHEN TERMINATED INSURANCE IS NOT REPLACED BY A PERSON WHO IS REQUIRED TO GIVE THE DEPARTMENT OF JUSTICE PROOF OF FINANCIAL RESPONSIBILITY BEFORE A REVOKED DRIVER'S LICENSE MAY BE REPLACED; IMPOSING AN ADDITIONAL FEE OF \$75 FOR A NEW APPLICATION FOR REGISTRATION AFTER REVOCATION; AND AMENDING SECTIONS 61-3-202 AND 61-3-303, MCA."

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:

**Section 1.** Section 61-3-202, MCA, is amended to read:

**"61-3-202. Certificate of title -- issuance -- contents -- joint ownership.** (1) A certificate of title issued by the department must contain:

(a) the date issued;

(b) the name and address of the owner;

(c) the mileage disclosed by the transferor when ownership of the vehicle was transferred, including a notation that the record mileage is actual, not actual, or exceeds mechanical limits;

(d) the name and address of each secured party and lienholder, in the order of priority and perfection or, if the application was based on a surrendered certificate of title, in the order that the names and addresses are shown on the certificate of title;

(e) the title number assigned to the vehicle;

(f) the name of the jurisdiction in which the vehicle owner resides; the words "certificate of title"; the vehicle identification number; the manufacturer's designated model year of manufacture, make, and model of the vehicle; and any required or carried-forward brands;

(g) the unique transaction record number, if available and assigned by the department; ~~and~~

(h) the name, address, and telephone number of the insurer through which the insurance requirement of 61-6-301 has been satisfied or a statement that the owner has posted an indemnity bond with the department

1 or has been issued a certificate of self-insurance as allowed under 61-6-301; and

2 ~~(h)~~(i) any other data that the department prescribes.

3 (2) A certificate of title issued by the department is valid until canceled by the department upon:

4 (a) a transfer, in the electronic record, of title of any ownership interest shown in the certificate of title;

5 (b) notice received by the department of the surrender of the certificate of title to a motor vehicle title  
6 issuing agency of another jurisdiction for an issuance of a title in that jurisdiction;

7 (c) the issuance of a duplicate certificate of title; or

8 (d) a determination by the department that the certificate of title contains a substantial error or that the  
9 person who requested issuance of the certificate of title paid the required fees and taxes with an insufficient  
10 funds check.

11 (3) (a) Whenever the conditions described in subsection (2)(d) occur, the department shall:

12 (i) give prompt written notice of the cancellation of the certificate of title to any owner, secured party,  
13 or lienholder of record; and

14 (ii) stop any change to the electronic record of title.

15 (b) The action taken by the department under subsection (3)(a) prevents the transfer of any ownership  
16 interest until the error is corrected or the fees and taxes have been paid.

17 (4) If the names and addresses of more than one owner are listed on the certificate of title, joint  
18 ownership with right of survivorship, and not as tenants in common, is presumed."

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20 **Section 2.** Section 61-3-303, MCA, is amended to read:

21 **"61-3-303. Registration -- process -- fees.** (1) A Montana resident who owns a motor vehicle operated  
22 or driven upon the public highways of this state shall register the motor vehicle in the office of the county  
23 treasurer in the county where the owner permanently resides or, if the vehicle is owned by a corporation or used  
24 primarily for commercial purposes, in the county where the vehicle is permanently assigned.

25 (2) (a) Except as provided in subsection (3), the county treasurer shall register any vehicle for which:

26 (i) as of the date that the vehicle is to be registered, the owner delivers an application for a certificate  
27 of title to the department, its authorized agent, or a county treasurer; or

28 (ii) the county treasurer confirms that the department has an electronic record of title for the vehicle as  
29 provided under 61-3-101.

30 (b) To register a vehicle, the county treasurer shall update the electronic record of title maintained by

1 the department under 61-3-101 by entering the fees paid and recording any changes to the recorded data.

2 (c) The county treasurer may not register the vehicle unless the person seeking registration presents  
3 proof of compliance with 61-6-301.

4 (3) (a) A county treasurer shall register a motor vehicle for which a certificate of title and registration  
5 were issued in another jurisdiction and for which registration is required under 61-3-701 after the county  
6 treasurer examines the current out-of-jurisdiction registration certificate or receipt and receives payment of the  
7 fees required in 61-3-701. The county treasurer may ask the vehicle owner to provide additional information,  
8 prescribed by the department, to ensure that the electronic record of registration maintained by the department  
9 is complete.

10 (b) A county treasurer may register a motor vehicle for which the new owner cannot present the  
11 previously issued certificate of title only as authorized by the department under 61-3-342.

12 (4) The department or the county treasurer shall determine the amount of fees, including local option  
13 taxes or fees, to be collected at the time of registration for each light vehicle subject to a registration fee under  
14 61-3-560 through 61-3-562 and for each bus, truck having a manufacturer's rated capacity of more than 1 ton,  
15 and truck tractor subject to a fee in lieu of tax under 61-3-529. The county treasurer shall collect the registration  
16 fee, other appropriate fees, and local option taxes or fees, if applicable, on each motor vehicle at the time of its  
17 registration.

18 (5) A person who seeks to register a motor vehicle, except a mobile home or a manufactured home as  
19 those terms are defined in 15-1-101(1), shall pay to the county treasurer:

20 (a) the registration fee, as provided in 61-3-311 and 61-3-321 or 61-3-456;

21 (b) except as provided in 61-3-456 or unless it has been previously paid, the motor vehicle fees in lieu  
22 of tax or registration fees under 61-3-560 through 61-3-562 imposed against the vehicle for the current year of  
23 registration and the immediately previous year; and

24 (c) a donation of \$1 or more if the person has indicated on the application that the person wishes to  
25 donate to promote awareness and education efforts for procurement of organ and tissue donations in Montana  
26 to favorably impact anatomical gifts; and

27 (d) a donation of \$1 or more if the person has indicated on the application that the person wishes to  
28 donate to promote education on, support for, and awareness of traumatic brain injury.

29 (6) The county treasurer may not issue a registration receipt or license plates for the vehicle to the  
30 owner unless the owner makes the payments required by subsection (5). Except as provided in 61-3-560

1 through 61-3-562, the department may not assess or impose and the county treasurer may not collect taxes or  
2 fees for a period other than:

3 (a) the current year; and

4 (b) except as provided in subsection (9), the immediately preceding year if the vehicle was not  
5 registered or operated on the highways of the state, regardless of the period of time since the vehicle was  
6 previously registered or operated.

7 (7) The department may make full and complete investigation of the registration status of the vehicle.  
8 A person seeking to register a motor vehicle under this section shall provide additional information to support  
9 the registration to the department if requested.

10 (8) Revenue that accrues from the voluntary donation provided in subsection (5)(c) must be forwarded  
11 by the respective county treasurer to the department of revenue for deposit in the state special revenue fund to  
12 the credit of an account established by the department of public health and human services to support activities  
13 related to awareness and education efforts for procurement of organ and tissue donations for anatomical gifts.

14 (9) (a) Except as provided in subsection (9)(b), the fees in lieu of tax, taxes, and fees imposed on or  
15 collected from the registration of a travel trailer, motorcycle, or quadricycle or a trailer, pole trailer, or semitrailer  
16 that has a declared weight of less than 26,000 pounds are required to be paid only once during the time that the  
17 vehicle is owned by the same person who registered the vehicle. Once registered, a vehicle described in this  
18 subsection (9)(a) is registered permanently unless ownership of the vehicle is transferred.

19 (b) Whenever ownership of a vehicle described in subsection (9)(a) is transferred, the new owner is  
20 required to register the vehicle as if it were being registered for the first time, including paying all of the required  
21 fees in lieu of tax, taxes, and fees.

22 (10) Revenue that accrues from the voluntary donation provided in subsection (5)(d) must be forwarded  
23 by the respective county treasurer to the department of revenue for deposit in the state special revenue fund to  
24 the credit of the account established in 2-15-2218 to support activities related to education regarding prevention  
25 of traumatic brain injury."  
26

27 **NEW SECTION. Section 3. Revocation of registration upon cancellation or termination of**  
28 **insurance.** The department shall revoke the registration for a vehicle 30 days after receipt of notice of  
29 cancellation or termination of insurance under 61-6-135 unless during that 30-day period the department  
30 receives proof of compliance with 61-6-301 from the registrant. If the registration is revoked under this section

1 and a new request for registration is made, along with the required proof of compliance with 61-6-301, the  
2 requester shall, in addition to any other required fees, pay a fee of \$75, which must be deposited in the state  
3 general fund.

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5 NEW SECTION. **Section 4. Codification instruction.** [Section 3] is intended to be codified as an  
6 integral part of Title 61, chapter 6, part 1, and the provisions of Title 61 apply to [section 3].

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